



# United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240

(4310-4M)

## DEPARTMENT OF THE INTERIOR

### Bureau of Indian Affairs

#### Tax Credit Bonds for Bureau of Indian Affairs-Funded Schools

**AGENCY:** Bureau of Indian Affairs, Interior

**ACTION:** Solicitation of Proposals

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**SUMMARY:** The Office of Facilities, Environmental, and Cultural Resources (OFECR) is soliciting applications for allocations of the \$400,000,000 in Tax Credit Bonding Authority granted to the Secretary of the Interior ("Secretary") as a result of the American Reinvestment and Recovery Act (ARRA) of 2009. This bonding authority is for the purpose of the construction, rehabilitation and repair of schools funded by the Bureau of Indian Affairs (BIA). Distribution of the \$400,000,000 of tax credit bonds will be in two tranches - \$200,000,000 in calendar year 2009 and \$200,000,000 in calendar year 2010. This Notice also provides related guidance on the following: (1) eligibility requirements that a project must meet to be considered for an allocation; (2) application requirements, deadlines, and forms for requests for allocations; (3) the method that the Secretary will use to make the allocations; and (4) certain interim guidance in this area.

**DATES:** To receive an allocation from the first \$200,000,000 (“First Allocation”) of the Tax Credit Bonding Authority, an Application must be filed with the DOI on or before November 15, 2009, (“First Allocation Deadline”). To receive an allocation from the remaining allocation (“Second Allocation”), an Application must be filed with the DOI after November 16, 2009, and on or before March 15, 2010, (“Second Allocation Deadline”). To comment on the information collection contained in this notice, you must submit your comments by [INSERT 60 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** You must submit your proposal and/or any comments on the information collection by mail or hand-carry to the DOI, Office of Facilities, Environmental and Cultural Resources, Attention: Bernadette Myers, 2051 Mercator Drive, Reston, Virginia 20191.

**FOR FURTHER INFORMATION CONTACT:** Bernadette Myers (703) 390-6655.

**SUPPLEMENTARY INFORMATION:**

Section 1. Purpose

This Notice solicits applications for allocations of the \$400,000,000 in Tax Credit Bonding Authority granted to the Secretary as a result of the ARRA of 2009. This bonding authority is for the purpose of the construction, rehabilitation and repair of BIA-funded schools. Distribution of the \$400,000,000 of tax credit bonds will be in two tranches - \$200,000,000 in calendar year 2009 and \$200,000,000 in calendar year 2010.

This Notice also provides related guidance on the following: (1) eligibility requirements that a project must meet to be considered for an allocation; (2) application requirements, deadlines, and forms for requests for allocations; (3) the method that the Secretary will use to make the allocations; and (4) certain interim guidance in this area.

Section 2. Introduction

### PART III --Tax Credit Bonds For Schools (“tax-credit bonds”), Section 1521.

Qualified School Construction Bonds of the ARRA of 2009, Pub. L. No. 111-5 (the “Act”) is for the purpose of helping tribal governments reduce the cost of loans or bonds for the construction, rehabilitation, and repair of schools funded by the BIA. In general, the Act allows tribal governments to issue up to \$400,000,000 in “qualified tax bonds” to finance a BIA funded elementary or secondary school or dormitory construction project. The bonding authorization is not an appropriation of Federal money or a loan guarantee. The tribe will be responsible for paying their bonded obligations. The benefit to the tribes under the bonding provision of the Act is that they can borrow money at a lower interest rate than they would have had to pay on non-tax-advantaged bonds.

#### Section 3. Background

Indian Affairs is responsible for providing facilities to support educational programs for eligible Indian School Equalization Program (ISEP) students. Its central, stated goal is to provide a high-quality educational environment for Native American children from kindergarten through high school.

#### Section 4. Application Requirements in General

Each application (“Application”) for an allocation of the Tax Credit Bonding Authority must be prepared and submitted in accordance with this section. In order for an Application to comply with this section, among other things, the Application must be prepared in substantially the form attached to this Notice as Appendix A, subject to such minor changes or variations as the DOI may approve in its discretion. This Notice, including Appendix A, may be found on the Indian Affairs Web site at <http://www.doi.gov/bia>. By submitting an Application, the applicant agrees to comply with the requirements of this Notice.

a. Qualified issuer. An Application must be submitted by an Indian tribal government. Section 7701(a)(40)(A) defines an Indian tribal government as the governing body of any tribe, band, community, village, or group of Indians, or Alaska Natives which is determined by the IRS, in consultation with the Secretary, to exercise governmental functions. Section 2.01 of Revenue Procedure 2008-55, 2008-39 I.R.B. 768, provides that an Indian tribal entity that appears on the most recent list published by the DOI in the Federal Register pursuant to the Federally Recognized Indian Tribe List Act of 1994, Pub. L. 103-454, 108 Stat. 4791 (“List Act”), is designated an Indian tribal government for purposes of § 7701(a)(40). Section 2.03 of Rev. Proc. 2008-55 further provides that a tribe that does not appear on the most recent list published by the Department of the Interior in the Federal Register pursuant to the requirements of the List Act nonetheless will be treated as an Indian tribal government for purposes of § 7701(a)(40) if the tribe has been acknowledged as a Federally recognized Indian tribe, as stated in a letter from the DOI. An Application must identify the Indian tribal government, including the Indian tribal government’s Federal tax identification number.

b. Signatures. An Application must be signed and dated by, and must include the printed name and title of, an authorized official of the Indian tribal government and must be supported by a tribal resolution indicating the tribe’s intent to apply for an allocation. For purposes of this Notice, the term “authorized official of the Indian tribal government” means an officer, board member, employee, or other official of the Indian tribal government who is duly authorized to execute legal documents on behalf of the Indian tribal government in connection with incurring debt of the Indian tribal government (e.g., a tribal chairperson, chief executive officer, or chief financial officer).

c. Contact person. An Application must designate one or more persons with knowledge of the project that the qualified issuer duly authorizes to discuss with Indian Affairs any information specifically relating to the Application. The designation must include the designee's name, title, telephone number, fax number, and mailing address.

d. Addresses. An Application must be submitted by hard copy in duplicate accompanied by a copy of the Application in electronic format on compact disc ("CD") sent by mail to the address listed in the ADDRESSES section of this Notice.

e. Due date. To receive an allocation from the first \$200,000,000 ("First Allocation") of the Tax Credit Bonding Authority, an Application must be filed with the DOI on or before the Application deadline of November 15, 2009, ("First Allocation Deadline"). To receive an allocation from the remaining allocation ("Second Allocation"), an Application must be filed with the DOI after November 16, 2009, and on or before March 15, 2010, ("Second Allocation Deadline"). (See **DATES** section of this Notice). Should not all the Authority be granted in the two allocations, the Secretary will consider a third allocation period. See section 7 for further discussion of the two allocations.

f. Project description. Each Application must contain the information required by this subsection.

(i) Qualified project. Each Application must describe in reasonable detail the project to be financed with the tax-credit bonds. The Application must indicate the expected date that the acquisition and construction of the project will commence and the expected date that the project will be placed in service. The Secretary will only allocate bonding authority for projects that comply with building codes and construction requirements required by Indian Affairs for all Bureau-funded education facility construction. Further, the Secretary will only approve bonding

allocation for projects that were developed using Indian Affairs education specifications, space criteria allowances, and enrollment projection methodology, and which comply with current statutory or regulatory requirements regarding school grade structure, curriculum requirements, and educational standards.

(ii) Location of project. The Application must include a certification that the project's location is within the Indian tribal government's reservation.

(iii) Regulatory approvals. The Application must state whether all necessary Federal, state, and local regulatory approvals for the project have been obtained and, if those approvals have not yet been obtained, the Application must describe the Indian tribal government's plan for obtaining them and the time frame during which the Indian tribal government expects to receive them.

g. Plan of financing. The Application must contain: (1) a reasonably detailed description of the plan of financing for the project, including all reasonably expected sources (e.g., a public offering through a named underwriter or a private placement to a named institution) and uses of financing, including financing from the tax-credit bonds and from other sources; (2) the status of all financing, including the name and addresses of all entities expected to provide any financing; (3) the anticipated date of issuance of the tax-credit bonds and any expected purchasers of the tax-credit bonds; (4) the sources of security and repayment for the tax-credit bonds; (5) the aggregate face amount of tax-credit bonds expected to be issued for the project; and (6) the issuer's reasonably expected schedule for spending proceeds of the tax-credit bonds. If the Indian tribal government intends to use the proceeds of tax-credit bonds to reimburse amounts paid with respect to a qualified project, the Application must demonstrate compliance with all statutory IRS tax requirements and regulations.

h. Dollar amount of allocation requested. The Application must specify the dollar amount of tax-credit bonds requested for the project.

i. Statement of readiness to issue. An Application for an allocation of the tax credit bonding authority from the First or Second Allocation must contain the statement that the issuer reasonably expects to issue any tax-credit bonds, pursuant to the requested allocation, within six months of authorization.

#### Section 5. Required Declarations in Application

Each application submitted under this Notice must include the following declaration signed and dated by an authorized official of the Indian tribal government:

“Under penalties of perjury, I declare that I have examined this document and, to the best of my knowledge and belief, all of the facts contained herein are true, correct, and complete.”

#### Section 6. Consent to Disclosure Allocation

In order for the Secretary or Indian Affairs to disclose identifying information with respect to applicants awarded an allocation, the Secretary and Indian Affairs requests that each applicant submit with the Application a declaration consenting to the Secretary’s or Indian Affairs’ disclosure of the name of the issuer, the type and location of the project that is the subject of the Application, and the amount of the tax credit bond allocation awarded to that Applicant if the Applicant receives an allocation. Appendix B.

#### Section 7. Annual Bonding Authority Limit and Methodology

a. First Allocation.

The Tax Credit Bonding Authority under § 7871(f) will be allocated in at least two tranches. The first \$200,000,000 will be allocated in accordance with this section for qualified projects for which Applications meeting the requirements of this Notice have been filed with the

Secretary or Indian Affairs on or before the First Allocation Deadline. If the total amount of allocations requested in all applications received on or before the First Allocation Deadline does not exceed \$200,000,000, then each qualified project will be allocated the amount of allocation requested. If the total amount of allocations requested in all applications received on or before the First Allocation Deadline exceeds \$200,000,000, then each qualified project will be allocated a reduced pro rata such that the total amount allocated as part of the First Allocation does not exceed \$200,000,000. Applicants receiving a reduced allocation may submit an application requesting the remainder of the allocation on or before the Second Allocation Deadline.

b. Second Allocation.

(1) The Second Allocation will allocate the second \$200,000,000. The Second Allocation will be allocated in accordance with this section for qualified projects for which Applications meeting the requirements of this Notice have been filed with the Secretary or Indian Affairs on or before the Second Allocation Deadline set forth in this Notice. If the total amount of allocations requested in all applications received on or before the Second Allocation Deadline does not exceed the Second Allocation Amount, then each qualified project will be allocated the amount requested. If the total amount of allocations requested in all applications received on or before the Second Allocation Deadline exceeds \$200,000,000, then each qualified project will be allocated a reduced pro rata such that the total amount allocated as part of the Second Allocation does not exceed \$200,000,000. Any allocation remaining from the Second Allocation, or any forfeited allocation, may be available as part of an allocation process to be announced by the Secretary or Indian Affairs at some future date.

(2) Applicants for any subsequent allocation other than the First Allocation must include a description of the project, or any related project, for which a prior allocation was made,



as well as the name of the applicant that received the allocation. For this purpose, related projects include facilities that are owned by the same Indian tribal government, a political subdivision of the Indian tribal government, or an entity controlled by the Indian tribal government, which are: (i) located at or near the same site; and (ii) are integrated, interconnected, or directly or indirectly dependent on each other, based on all the facts and circumstances.

c. On Behalf of Issuers.

(1) An Indian tribal government that receives an allocation may designate an “on behalf of issuer,” so long as the tribal government complies with all applicable statutory tax requirements and regulations.

(2) An Indian tribal government that receives an allocation may assign the allocation to a pool bond issuer who is otherwise an Indian tribal government for the purpose of issuing tax-credit bonds the proceeds of which will be loaned to the Indian tribal government who received the allocation. Pooled tax-credit bonds will be subject to all applicable statutory tax requirements and regulations.

(3) The proceeds of any bonds issued by an “on behalf of” issuer or a pool issuer will be treated as if they were proceeds of bonds issued by the Indian tribal government that received the allocation.

d. Forfeiture of Allocation.

If bonds are not in placed within six months of authorization, any or all of the allocation received by an issuer pursuant to the First and Second Allocation, then such allocation shall be considered forfeited. Any allocation amounts forfeited may be available for allocation by the Secretary as part of an allocation process to be announced by the Secretary at some future date.

Issuers must notify the Secretary or Indian Affairs in writing at least 30 days before the expiration of the period during which bonds may be issued pursuant to an allocation if they do not intend to issue bonds pursuant to such allocation. Failure to comply with requirements set forth in Section 4-f(i) of this Notice will result in the loss of all Indian Affairs funding support for the functional facilities operations and maintenance of the project.

#### Section 8. Drafting Information

The principal authors of this Notice are John N. Rever, Director, and Bernadette Myers, Management Analyst, OFECR. Other Department of the Interior (DOI) personnel also participated in its development.

#### Section 9. Paperwork Reduction Act

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under an emergency request pursuant to 44 U.S.C. 3504(h). The OMB control number is 1076-0173. The authorization expires on April 30, 2010.

##### a. Abstract

This information collection allows the BIA to receive written applications for allocations of the \$400,000,000 in Tax Credit Bonding Authority granted to the Secretary as a result of the ARRA of 2009. This bonding authority is for the purpose of the construction, rehabilitation and repair of BIA-funded schools. The information collection allows BIA to determine whether the project is eligible to be considered for an allocation. No third party notification or public disclosure burden is associated with this collection.

##### b. Request for Comments

If you would like to comment on this information collection, please send your comments to the location listed in the **ADDRESSES** section. Your comments should address: (a) the

necessity of the information collection for the proper performance of the agencies, including whether the information will have practical utility; (b) the accuracy of our estimate of the burden (hours and cost) of the collection of information, including the validity of the methodology and assumptions used; (c) ways we could enhance the quality, utility and clarity of the information to be collected; and (d) ways we could minimize the burden of the collection of the information on the respondents, such as through the use of automated collection techniques or other forms of information technology.

Please note that an agency may not sponsor or conduct and an individual need not respond to a collection of information unless it has a valid OMB Control Number.

It is our policy to make all comments available to the public for review at the location listed in the ADDRESSES section during the hours of 9:00 a.m. – 5:00 p.m., Eastern Time, Monday through Friday except for legal holidays. Before including your address, telephone number, e-mail address or other personally identifiable information, be advised that your entire comment—including your personally identifiable information—may be made public at any time. While you may request that we withhold your personally identifiable information, we cannot guarantee that we will be able to do so.

c. Data

OMB Control Number: 1076-0173.

Title: Tax Credit Bonds for Bureau of Indian Affairs-Funded Schools

Brief Description of Collection: Submission of this information is required to apply for allocations of the \$400,000,000 in Tax Credit Bonding Authority granted to the Secretary as a result of the ARRA of 2009. This bonding authority is for the purpose of the construction, rehabilitation and repair of BIA-funded schools. The information collection allows BIA to

determine whether the project is eligible to be considered for an allocation. No third party notification or public disclosure burden is associated with this collection. Response is required to obtain a benefit.

Type of Review: New collection.

Respondents: Indian tribal governments.

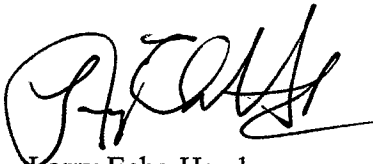
Number of Respondents: 30

Total Number of Responses: Once, on occasion.

Estimated Time per Response: 40 hours.

Estimated Total Annual Burden: 1,200 hours.

Dated: **OCT 26 2009**



Larry Echo Hawk  
Assistant Secretary – Indian Affairs

## APPENDIX A

### APPLICATION FOR ALLOCATION OF TAX-CREDIT BONDS FOR BIA-FUNDED SCHOOLS

Department of the Interior  
Office of Facilities, Environmental and Cultural Resources  
Attention: Bernadette Myers  
2051 Mercator Drive  
Reston, Virginia 20191

Dear Madam:

The following constitutes the application (“Application”) of (Name) (the “Applicant”) for allocation of tax-credit bonds pursuant to Title I, § 1521 of the American Recovery and

Reinvestment Act to finance the project described below. (If a single Application is used to request tax-credit bonds for more than one project, then all of the required information in the Application must be provided separately for each project.)

1. Name of Applicant/Issuer \_\_\_\_\_  
Street Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone Number \_\_\_\_\_ Fax Number \_\_\_\_\_  
EIN \_\_\_\_\_

2. Status of Issuer – (Select as appropriate)

The Applicant/Issuer is a “qualified issuer” under § 7871(f) because it is –

(i) an Indian tribal entity that appears on the most recent list published by the Department of Interior in the Federal Register pursuant to the Federally Recognized Indian Tribe List Act of 1994, Pub. L. 103-454, 108 Stat. 4791 (“List”), as demonstrated by the attached documents included as Exhibit A.

(ii) an Indian tribal government which is acknowledged as a federally recognized Indian tribe, as stated in a letter from the Department of the Interior, as demonstrated by the attached documents included as Exhibit A.

3. Name of Project \_\_\_\_\_

4. Detailed Description of the Project. A reasonably detailed description of the facility to be financed (the “Project”) is set forth below or in attached Exhibit B.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
If the Project is a joint Project, please describe in detail the other owners of the project and the applicant’s ownership interest in the project.

5. Construction Commencement Date and Placed in Service Date. The Applicant begun or expects to begin the construction, installation and equipping of the Project on \_\_\_\_\_ . The Applicant expects that the Project will be placed into service on or before \_\_\_\_\_ .

6. Pool Issuances. Does the Applicant expect to have the tax-credit bonds issued by a pool issuer or an “on behalf of issuer”? \_\_\_\_\_

If the answer above is “yes,” please describe the pool issuer or on behalf of issuer and provide a statement that the pool issuer is an Indian tribal government or that the “on behalf of issuer” meets the requirements to be such an issuer under the rules applicable to bonds in accordance with current IRS regulations.

\_\_\_\_\_

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**7. Location of the Project:**

Project address or physical location (do not include postal box numbers or mailing address)

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Reservation where Project will be located: \_\_\_\_\_

Include in the attached Exhibit C a certification that the Project will be located on the Applicant's reservation. If the tax-credit bonds will be issued for a joint project please include in attached Exhibit C a certification that the Project will be located on a reservation of at least one of the Indian tribal governments receiving an allocation with respect to such Project.

**8. Individual to contact for more information about the Project:**

Individual Name \_\_\_\_\_

Company Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone Number \_\_\_\_\_

Fax Number \_\_\_\_\_

Email Address \_\_\_\_\_

**9. Regulatory Approvals.** Identify each regulatory body, the action that must be taken, status of any pending action, and the remaining timeframe required to obtain each required approval. The plan of the Applicant for obtaining such approvals is as follows (or attach an Exhibit):

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**10. Plan of Financing.** Include a reasonably detailed description of the plan of financing for the Project, including all reasonably expected sources and uses of financing and other funds, the status of such financing, the anticipated date of bond issuance, the sources of security and repayment for the bonds, the aggregate face amount of bonds expected to be issued for the Project, and the issuer's reasonably expected schedule for expending the proceeds of the tax-credit bonds. Attached as Exhibit D is a plan of financing for the Project.

**11. Statement of Readiness.**

a. Application from the First Allocation. Include in Exhibit E a statement signed under penalties of perjury that the Issuer reasonably expects to issue bonds pursuant to the requested allocation within six months of the authorization.

b. Application from the Second Allocation. Include in Exhibit E a statement signed under penalties of perjury that the Issuer reasonably expects to issue bonds pursuant to the requested allocation within six months of the authorization.

**12. Dollar Amount of Allocation Requested for the Project.** To finance the Project, the Applicant hereby requests a tax-credit bond allocation in the amount of \$\_\_\_\_\_.

**13. Prior Allocations for the Project.** (If the Project or any Related Project (as defined in section 7.b.(2) of this Notice) previously received a tax-credit bond allocation, then this paragraph must include a statement to that effect.) [If applicable, include the following statement: On (Insert date), the Project previously received a tax-credit bond allocation in the amount of \$\_\_\_\_\_. A copy of the Indian Affairs allocation letter for that allocation is attached.]

**14. Assignment of allocations to another issuer.** If the applicant expects to assign its allocation to another qualified issuer of tax-credit bonds as authority for the tax-credit bond issuer to issue bonds for the project on behalf of the applicant, the applicant should provide the following statement:

The Applicant expects to assign the requested allocation for tax-credit bonds to a qualified issuer of tax-credit bonds as authority for the tax-credit bond issuer to issue bonds for the project on behalf of the Applicant. Applicant agrees to obtain a written commitment from the assignee tax-credit bond issuer that it is a qualified issuer of tax-credit bonds and that it will issue tax-credit bonds for the project within the time frame specified in the Application for the Applicant's bonds.

**15. Penalty of Perjury Statement and Signatures.**

I hereby certify that I am an authorized officer or official of the Applicant, that I am duly authorized to execute legal documents on behalf of the Applicant in connection with incurring debt, and that I am duly authorized to execute legal documents on behalf of the Applicant in making this Application. Under penalties of perjury, I declare that (i) I have knowledge of the relevant facts and circumstances relating to this Application and the Project(s), (ii) I have examined this Application, and (iii) to the best of my knowledge and belief, all of the facts contained in this Application are true, correct and complete.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Attach the following Exhibits:

Exhibit A

DOCUMENTS REGARDING ISSUER STATUS AS AN INDIAN TRIBAL GOVERNMENT  
(RESPONSE TO QUESTION 2 OF THE APPLICATION)

Exhibit B  
DESCRIPTION OF THE PROJECT  
(RESPONSE TO QUESTION 4 OF THE APPLICATION)

Exhibit C  
PROJECT LOCATION ON INDIAN TRIBAL GOVERNMENT RESERVATION  
(RESPONSE TO QUESTION 7 OF THE APPLICATION)

EXHIBIT D  
PLAN OF FINANCING  
(RESPONSE TO QUESTION 10 OF THE APPLICATION)

EXHIBIT E  
STATEMENT OF READINESS TO ISSUE  
(RESPONSE TO QUESTION 11 OF THE APPLICATION)

I hereby certify that I am an authorized officer or official of the Applicant, that I am duly authorized to execute legal documents on behalf of the Applicant in connection with incurring debt, and that I am duly authorized to execute legal documents on behalf of the Applicant in making this Application. Under penalties of perjury, I declare that the Applicant reasonably expects that bonds issued pursuant to the tax-credit bond allocation to be received will be issued within six months of authorization.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

APPENDIX B

CONSENT TO PUBLIC DISCLOSURE  
OF CERTAIN TAX-CREDIT BOND  
APPLICATION INFORMATION

In the event that the Application of [ \_\_\_\_\_ ] (the "Applicant") for an allocation of authority to issue Tax Credit Bonds to be used for the purpose of the construction, rehabilitation, and repair of schools funded by the Bureau of Indian Affairs ("Tax-Credit Bonds") is approved, the undersigned authorized representative of the Applicant hereby consents to the disclosure by Department of the Interior through publication of a Notice or a press release of the name of Applicant (issuer), the type and location of the facility that is the subject of the



Application, and the amount of the tax-credit bond allocation for such facility. The undersigned understands that this information might be published, broadcast, discussed or otherwise disseminated in the public record.

This authorization shall become effective upon the execution hereof.

I certify that I have the authority to execute this consent to disclose on behalf of the Applicant named below.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

Applicant's Mailing Address: \_\_\_\_\_  
\_\_\_\_\_